



# OFFICE OF THE CLERK/TREASURER

City of Burlington

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## BOARD OF FINANCE

APRIL 30, 2012

### MINUTES

**PRESENT:** Mayor Weinberger, City Council President Shannon, Councilors Decelles, Paul, and Bushor.

**ALSO PRESENT:** Interim CAO Sisson; ACAO Goodwin; ACAO Schrader; Mike Kanarick, Mayor's Office; Barbara Grimes, Ken Nolan BED; Seth Lasker, Fire; Lise Veronneau, Fire/Police; Lieutenant Jennifer Morrison, Police; Larry Kupferman, CEDO; Susan Leonard, HR; Stephen Barraclough, Burlington Telecom; Richard Haesler, Eugene Bergman, City Attorney's Office; Steve Goodkind, Joel Fleming, DPW; Susan Leonard, HR; Phelan Fritz, ECHO.

#### 1. Agenda

Councilor Bushor requested addressing items 11 and 12 as items 3.5 and 3.6 respectively.

Councilor Paul stated as the only remaining member of the Board of Finance, she is the only person who should vote on the minutes. Since she has not read them, she requested they be voted on at a later date.

Councilor Decelles suggested sending the minutes to City Council without approval.

Councilor Bushor stated she was not a voting member at the time, but did attend all of the meetings requiring approval of the minutes. She suggested waiting until the next meeting to vote on them.

Mayor Weinberger stated that per the City Attorney, it is appropriate for this body to vote on the minutes from the last body's meetings.

The agenda was adopted unanimously as amended.

#### 2. Public Forum

No speakers came forward.

#### 3. Approval of the Board of Finance Minutes

- a. February 13, 2012
- b. March 12, 2012
- c. March 26, 2012

Action on this item was postponed.

### **3.5 Authorization for Mutual Aid Agreement with VANG – Fire**

Seth Lasker, Fire Chief, stated this item involved an agreement between the Vermont Air National Guard and the Fire Department. It was a good neighbor policy that outlined the responsibilities of both parties.

Councilors Bushor and Paul made a motion to approve the agreement and recommend City Council approval. The motion passed unanimously.

### **3.6 Authorization to Accept Police Equipment Grant - Police**

Lise Veronneau, Business Manager, Police, stated that this grant would allow the Police Department to purchase tablets for police vehicles and replace mobile terminals. This would be federally funded. These would be demo models and the State would be expecting a report back in six months.

Lieutenant Morrison, Police, stated the Police Department will use its own custom made software that was developed in partnership with a company in California. It is web based, intuitive and simple. It kept officers alert and allowed them to complete reports quickly. It would be the first time that tablets would replace computers that are currently in the cars. They were smaller and would take up a lot less room. Officers would be able to take the device off of the mount and complete their reports in the field. There would be a camera included and pictures of crashes could be uploaded immediately. It would improve efficiency. Ms. Veronneau stated the State had been very responsive and they knew that a lot of research had been done on this.

Interim CAO Sisson inquired if the tablets would run on WiFi. Lieutenant Morrison stated they could but were currently being run through the Verizon hot spot in the cruisers. They will work anywhere the internet can be accessed.

Barbara Grimes, BED, inquired if the software could be demoed, could that intellectual property be captured. Lieutenant Morrison stated there was an agreement with the software development company. The company had secured pricing at a low cost for all of Vermont for twenty years. After being demoed, they would then market it outside of Vermont and make money there. If the Police Department ever chose to work with another company, the source code could be taken and all data would belong to the Police Department.

Mayor Weinberger stated this was impressive software. Lieutenant Morrison stated the existing units cost about \$4,000 each and tablets cost significantly less.

Councilors Bushor and Paul made a motion to accept the grant. The motion passed unanimously.

## **4. Proposed Budget Review Schedule**

Interim CAO Sisson provided a proposed schedule with Thursday meetings for at least three weeks. Each department would attend a meeting and meetings would be completed by May 21st.

City Council President Shannon inquired if they would all be at 5:00 pm. Interim CAO Sisson stated they would be. Councilor Bushor stated she hoped they would be at 5:30 on Thursdays.

She stated that she reviewed minutes regarding the Wastewater bonds that would be coming due. She inquired if that would be part of the discussion for the Wastewater Department. Interim CAO Sisson stated it had been discussed and would be included in presentations about the overall budget. This would happen at the May 3rd meeting. Councilor Bushor stated the Council and the residents of the City wanted to know whether or not there would be a rate increase.

Councilor Decelles inquired if on May 7, the full Council would determine whether or not to go ahead with a tax increase. Interim CAO Sisson stated if that proposal came forward, it would be decided between the 7<sup>th</sup> and the 15<sup>th</sup>. Mayor Weinberger stated if they did request Council approval, it would be on the 7<sup>th</sup> or sometime shortly after. There were a number of options.

Councilor Paul inquired what would be presented on Thursday. Mayor Weinberger stated they would present the projected budget gap. There would be continued conversations regarding the gap that was projected for the FY13 budget. There would also be a discussion about whether or not a tax increase would be recommended. Councilor Paul inquired if there would be a full budget. Mayor Weinberger stated there would not be. He explained the administration would bring information on a general level about the status of the budget, but not a detailed presentation.

Interim CAO Sisson inquired what she would like to see. Councilor Paul stated she would like to see a full budget with line items highlighting any changes. That was how budget reviews were presented in the past. Mayor Weinberger stated that the Council would have a full budget when they were asked to vote on it. At the current time, the discussion was focused on whether or not a tax increase was needed. There was a distinction between that and a full budget. He stated all information that could be shared would be. Councilor Paul stated in the past they had received a full budget to explain why a tax increase was needed. While a budget was not the same as a need to ask for a tax increase, the budget would explain why there needed to be a tax increase.

City Council President Shannon stated in the past the City Council had not seen the whole budget before asking for a tax increase. There had been summaries and descriptions about why a tax increase was necessary. It had been frustrating for the Council and having as much information as possible would be helpful.

Councilor Bushor stated when Mayor Kiss brought forward a request for a tax increase in anticipation of shortfalls, there had been a summary of where those shortfalls would occur. She stated she would like to see that proposal updated with any new information. She requested any updates, such as forecasted revenues for things like gross receipts, be included. There should be a description of why a tax increase was or was not needed. It was difficult for a new administration to inherit the previous administration's budget. It was important to know how shortfalls would be addressed. Interim CAO Sisson stated they planned to put together a summary of numbers from the time they began working on the budget to the current time.

Councilor Decelles stated that if a tax increase were requested, he would like department heads from the affected departments to attend the meeting. It would be good to hear more detail about their budget needs. He also requested that all councilors be invited to attend the meeting. Interim CAO Sisson inquired if that was only if there was a tax increase. Councilor Decelles stated that the entire Council should be involved either way.

Interim CAO Sisson highlighted changes in the dates that departments would present.

City Council President Shannon and Councilor Decelles made a motion to accept the communication and place it on file. The motion passed unanimously.

## **5. Authorization to Amend Lease with ECHO/Leahy Center for Lake Champlain - CA**

Mayor Weinberger stated he was a former member of the ECHO Board and would recuse himself from voting on this matter. Interim CAO Sisson stated he currently sat on the Board of ECHO.

Phelan Fritz, ECHO, stated the request was for an amendment to the 99 year lease that ECHO had with the City. There were approximately two acres of land situated on the Waterfront which include parking, the building, and the UVM research lab. The request is for access to a space north of the building but south of the circle. There was a 23-foot wide area and the request was to allow public access to this area.

Councilors Paul and Bushor made a motion to approve the amendment.

Councilor Bushor stated they were approving the draft on the table rather than the electronic version. The new version stated the City should have reasonable access for maintenance and repair. She requested the date be amended on the draft resolution.

Assistant City Attorney Haesler stated the date change was clerical and could be attended to. The change was based on a conversation with ECHO. It made sense to change the language because it reflected the City's intentions.

The motion passed unanimously.

## **6. Street Reconstruction Program – DPW**

Steve Goodkind, DPW, stated there was information about the bids and the low bidder was chosen. The Public Works Commission had the authority to approve the street paving program and it must be done by April 15 of each year. The sooner bids were out, the better the price was. Pike Industries was the low bidder, which was surprising because they were usually high. They were a reputable company and supplied their own asphalt.

Councilors Paul and Decelles made a motion to approve the program.

City Council President Shannon stated there were times in the past year that many projects were in progress simultaneously. There were times when it seemed that working on fewer projects at once would have been more convenient for residents. She inquired if management could ensure this was as minimally inconvenient as possible. Mr. Goodkind stated last year had the most simultaneous paving that would ever occur. The State and City were both doing paving through the same contractor. There was scheduling in place, but the program was smaller and would be less disruptive. Paving would not begin until the beginning of the fiscal year, rather than last year which ran from April to November.

City Council President Shannon stated it was irritating to see streets opened up without being completed. It would be preferable to finish an area before moving to the next. Mr. Goodkind stated there were rules about when expensive machinery, like reclaimers, could be used. They

often would do several projects at the same time to consolidate use of this machinery because it was very expensive. He stated they were working to tighten this up as much as possible.

Councilor Bushor inquired if the crosswalks on Colchester Avenue would be done. Mr. Goodkind stated they would. Councilor Bushor stated there was activity on Front Porch Forum about a crosswalk between Grove Street and Schmanska Park and inquired if that would be done. Mr. Goodkind stated it had been paved and they would add a crosswalk and two sidewalks. They would be putting a traffic light in first because there was not much visibility.

Mayor Weinberger inquired if there were any surprises in the bids. Mr. Goodkind stated Pike had never been the low bidder. They were bidding aggressively and at a good price. Overall, the bids were slightly higher than anticipated, but estimates were based on the previous year. There were four competitive companies.

The motion passed unanimously.

## **7. Agreement with UVM for Purchase and Sale of Renewable Energy Credits – BED**

Ken Nolan, BED, stated that before President Fogel left UVM, he made a commitment to reduce greenhouse gas emissions. UVM staff had determined that renewable energy credits were one option to meet that commitment. However, they were not set up to participate in the market. BED would be purchasing these credits on their behalf, as BED does this daily. It was minimally disruptive and they would pay for overhead costs and staff time. BED was 80% renewable and they tried to use this to satisfy the requirement. However, the entity overseeing the administration of the program looks at New England as a whole which is much less green. They then chose this course of action.

Councilors Bushor and Paul made a motion to approve the agreement. The motion passed unanimously.

## **8. Reclassification of BED Supervisor of Metering Services – HR**

Barbara Grimes, Burlington Electric, stated approval of this item would reclassify the Supervisor of Metering Services position. BED was in the process of changing their analog system to a higher level technology. When there was a request for re-classification, the process was for the manager to meet with an HR representative and the CAO to ensure that it was examined as quantitatively as possible. From there, it required Board of Finance approval.

Councilors Bushor and Paul made a motion to approve the reclassification.

City Council President Shannon stated BED used new technology that required new training periodically. She inquired how increasing the pay for this job was justified. Ms. Grimes stated it was not just the technology but the administration of the technology that was expanded. It added new duties at a higher level. City Council President Shannon inquired what the new duties would be. Ms. Grimes stated she did not know off the top of her head. Susan Leonard, HR, stated that the biggest driver was that the level of technology was different enough. There was a points system and this job description received enough points to bring it to the next level.

The motion passed unanimously.

## **9. BED Compensation: Manager of Operations & Distribution Superintendent – HR**

Susan Leonard, HR, stated that BED had requested the implementation of the modified Sadowski pay range for these two positions. It was difficult to recruit the Distribution Superintendent at the previous pay range and this would be more competitive. Increasing that pay range caused a compression issue with the Manager of Operations. This would correct that problem.

Barbara Grimes, BED, stated they have compared these salaries of these positions with other companies in the state. All others are either making more, or making the same amount with better benefits. This position had been vacant for 2 ½ years and the Manager of Operations had been doing both jobs. It was important to have another person available to oversee day-to-day operations.

Councilor Paul and City Council President Shannon made a motion to approve the pay ranges.

Councilor Bushor stated she would have liked to see an organizational chart. It was important to have those when making changes to understand who supervised who. She stated she would probably support this. When a reference was made to an old report, it would be helpful to have references to that report available as a reminder. She inquired if these were the exact ranges. Ms. Leonard stated they were aged according to COLAs.

Councilor Decelles inquired if they were slightly higher than the Sadowski ranges. Ms. Leonard stated they were. Ms. Grimes inquired if it would have been helpful to see the page from the Sadowski report. Councilor Bushor stated it would be appropriate to have the changes with the COLA described. Ms. Grimes stated that was outlined in the memo and inquired what other information would be helpful. Councilor Bushor stated she would have liked to see what the Sadowski range was in 2009 and how this number had been determined. Ms. Grimes stated that could be included in the future.

Councilor Decelles stated he understood the need, but these were significant changes. In general, he did not question the Sadowski report's findings, but the economy had been flat. When talking about a tax increase, this would send a mixed message. He stated he would not support this.

City Council President Shannon stated she agreed with the Sadowski report and understood that it would be difficult to implement it across the board. However, this was an example of what the report was addressing. This position had been unfilled because it was not competitive. It was also important that the manager not be earning less. She stated she would support it.

Councilor Decelles inquired what the maximum pay range for the General Manager of BED was. Ms. Grimes stated it was \$124,000.

Councilor Bushor stated there were two assistant CAOs hired whose salaries were greater than the current CAO, but his salary was not elevated. That was not the correct thing to do. She would prefer to increase just the Distribution Superintendent salary, but that would do the same thing. She believed it caused morale issues. She stated she would support this reluctantly, and stated the City did not have all the money it would like to in order to treat people fairly. It was not good to create compression issues. She stated she had not wanted to move on these in the past, but was glad that the new Mayor will have a chance to weigh in.

Mayor Weinberger stated it was clear that since the position had not been filled for 2 ½ years at the current salary range this should be approved. There would be further discussions about this kind of issue.

Councilor Paul stated they had the same challenge with the Assistant CAO and that was all that could be done. She stated a person who supervised should not make less money than the people they manage. That practice does exist, but it should not.

The motion passed by a vote of 4-1 with Councilor Decelles voting against.

#### **10. Reorganization of Burlington Telecom – HR**

Stephen Barraclough, Burlington Telecom, stated this proposal was part of a larger re-organization of BT. This affected residential sales only. They were without a manager from August of 2010 to January of 2011. There had been a need for a different skill set for a period of time, but it was important for the new manager to determine this. These positions would be converted from reactive customer services roles to pro-active sales roles. There would be no impact on the budget. The base salary for the new positions was \$20,000 less than those being eliminated. However, there would be performance based bonuses, bringing them up to the same level.

Councilors Bushor and Decelles made a motion to approve the re-organization. The motion passed unanimously.

#### **13. Budget Status Report – Clerk/Treasurer (Discussion Only)**

Mayor Weinberger stated this item had been discussed during the schedule portion of the agenda. Interim CAO Sisson stated they had been making progress and working with departments to hear and implement their ideas. By Thursday, there would be a description of the progress made, a presentation regarding a tax increase, and a summary budget.

Councilor Paul requested documents be distributed in advance.

Councilor Bushor inquired if there would be a decision about Trendline. Interim CAO Sisson stated that decision would be part of the discussion. Councilor Bushor inquired how that would affect employees' payments. Interim CAO Sisson stated it would maintain coverage. Mayor Weinberger stated contributions were set by collective bargaining agreements. Interim CAO Sisson stated contributions were all based on salary. Councilor Bushor requested that the administration review the audit minutes and note the key points regarding accounting for things like capital projects. She stated those should be implemented as part of the budget process.

City Council President Shannon stated there was a lot of information coming to the Council and anything that could be given in advance would be helpful.

Councilor Paul stated there were a number of resolutions on the accountability list that were very old. One was from 2009 regarding cost savings between the Schools and the City and that had been discussed. Another was an update from the Mayor and CAO regarding the annual appropriation for the Airport Parking Garage and whether or not a private contractor could be

utilized. That had not been done and it was now close to a year. There were a number of other issues that she would appreciate the administration look at. Mayor Weinberger stated that as a rule they would reserve Thursdays for budget discussions. Councilor Paul stated it was not pressing, but had been put off too long.

Councilors Decelles and Paul made a motion to adjourn. The motion passed unanimously and the meeting was adjourned at 6:04 p.m.